DCMC Headquarters Customer Support Team

Customer Support Quarterly

4th Quarter, FY 1996

CONTENTS

1. Introduction - This report represents the first quarterly report of the DCMC Headquarters Customer Support Team issued under DCMC Policy Letter 96-10.   It provides a synopsis of issues, best practices and good news reported by ACAT I Program Integrators the in their quarterly reports submitted in July 1996. The best practices and issues highlighted in this report are based on a Pareto Analysis done at Headquarters of

the "What's Working" and "What's not working" inputs from approximately sixty reports from across the Command. The categories with the highest number of common inputs from PIs were placed in this report. The goal of the Customer Support Network Reporting Process is to open and improve the lines of communication within DCMC, share good ideas and help resolve problems in order to improve support to all our customers across DoD. We solicit your comments and suggestions to help improve this report.

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3. **Plans:**
                 - DCMC Customer Support Conference, Oct 96, Host - DCMDW
                 - Next quarterly PI report submission due 4 Oct 96
                 - DCMC Commander's Conference, San Diego, CA., 12-14 Nov 96
                 - PI Benchmarking Team Draft Report due 1st Qtr, FY 97
                 - Customer Support Dbase available Command-wide 1st Qtr, FY 97
                      - Reengineered "One Book" - 1st draft due 1st Qtr, FY97
                 - Program Integrator's Conference or VTC (Tentative) - Apr 97

4. **Identification of Best Practices:**

       a. ***Intra-DCMC Communications*** - This initiative was one of the most mentioned items in the "what's working" category. Program integrators report that they are more effectively using other parts of the DCMC team including Customer Liaisons and subcontractor or supplier DCMC organizations. This results in less travel, and spreads the workload where it makes sense. Capt Philip Mohacsi, DCMC Lockheed Martin Delaware Valley reports: "We have increased reliance on other DCMC units to participate in design reviews and buy-offs of government hardware located at vendors. This included delegation to our European counterparts." LT. Denis Hanley, DCMC Sikorsky Aircraft reports: " DCMC Sikorsky and DCMC Owego communicate weekly with respect to DCMC Sikorsky supporting DCMC Owego in administering a purchase order among Sikorsky Aircraft, NAVAIR and Lockheed Martin." Major Kevin Riehl,

DCMC Lockheed Martin Sanders, reports: "Shortly after the post award conference for the Army's Advanced Threat Infrared Countermeasures/Common Missile Warning System, we established an e-mail and fax communication link with Doug Skolski, the buying activity Customer Liaison. We maintain routine contact with Doug and he has obtained positive independent feedback from CECOM on our support."

b. ***Program Support Resourcing*** - Two program integrators from DCMC Lockheed Martin Denver, Mr. Randall Boyce and Mr. Steve Duvall wrote about their program support resourcing process which is a useful tool for matching resources to customer's needs. Randall works an Air Force Program, Titan IV and Steve works an Army program ASAS Block II. They write: "Rightsizing in the Defense Contract Management Command (DCMC) as well as in our customer agencies is leading us to more critical management of our resources in order that we may adequately serve our customers and protect the public interest. As our customers downsize they are transferring workload to DCMC or are requesting more in-depth support. These circumstances have contributed to our need to more effectively manage resources, inform workers of their roles and responsibilities, manage operations and assure customer satisfaction. To accomplish these significant goals our organization has developed and implemented the "Program Support Resourcing" process as part of an overall management strategy for matching DCMC Lockheed Martin Astronautics (DCMC LMA) capability and capacity with our customer's detailed support needs or "work orders". In essence, their model describes how they analyze and outline each One Book process with regard to customer satisfaction, mission success, customer priorities, known contractor past performance and on-site leverage. Resource hours are then estimated based on process risk and customer priority. Customer Support Proposals are then developed using both the risk assessment and the resource estimates. These Customer Support Proposals become the basis for the negotiated MOAs and to obtain resourcing commitments from all agencies involved in the acquisition process. For more information please contact them at (303) 977-6188 or (303) 977-6180.

c. ***Information Technology***- We have received several accounts of the contributions that Information Technology initiatives have made to the Program Support Team concept, including strengthening IPT involvement and managing resource down-sizing. The use of E-mail, the Internet and LAN networks has reduced communication man-hours and increased efficiency and productivity. Major Star Smith, DCMC McDonnell Douglas St. Louis, reports: " We recently added a capability to access many USAF and contractor specifications, planning documents and CDRLs over the Internet which has reduced the amount of paper distribution required." Major Lew Parrish, DCMC Grumman Melbourne, reports: " We are hooked up to the Joint Test Force's

Wide Area Net that allows us to communicate and transfer files quickly through a high speed network. We now have direct connections to the Joint Program Office, Main Operations Base , and Joint Test Force." Capt Sean Cavanaugh, DCMC Raytheon,: " Progress at DCMC Raytheon on this challenge has greatly improved the performance and efficiency of our Program Support Team. A year ago, we were teetering on the edge of obsolescence. Since then, increased emphasis on modernizing our equipment and software has greatly enhanced our ability to communicate with the customer, although the transition for some has not been complete nor efficient. New computers with (Email capability) allow us to easily send notes back and forth to the program office, along with any required documents as attachments. The new software has made document preparation and presentation much easier, with more professional results." Ms Susanna IsaacDCMC Loral, reports: " The communications between the customer and the contractor have been greatly increased due to E-mail. We at DCMC forward real-time information to our counterparts at NAVAIR. The introduction of the DCMC home page has increased awareness and preparedness; the information available is extremely useful and informative."

d. ***Teaming*** - The subjects of teaming and communications were mentioned together many times in the PI reports we received. They seem to have a synergistic effect on improving relations and operations between the Program Office and the CAO. The more that teaming with customers occurs, the better the communications, and the more communications the better the teaming. Reduced inspections, issue resolution, improved efficiencies, expedited pricing and negotiations were all attributed to the simple concepts of teaming and communicating. Increased use of Email and the Internet were also cited by the Bradley and LAMPS programs as indispensable workplace tools for forging improved working relationships with the customer. As a "best practice" increased use of teaming with your customers is an inexpensive way to increase your productivity and enhance operational effectiveness throughout the Command.

e. ***Integrated Product Teams (IPTs)*** - Many of you have gotten into IPTs in a BIG way. As integral members of the Program Management Office's (PMO's) formal IPT structure, DCMC is forging ties and establishing relationships as full partners with project offices in new ways. IPTs are affording the PMO the opportunity to take advantage of a wide range of DCMC expertise and experience. IPTs allow DCMC to participate in the program "upfront and early" and influence critical areas such as; acquisition plans and strategy, RFP development and evaluation, which in turn, assists in our traditional role of surveilling the contractor. DCMC participation on IPTs means that we have a major role in influencing the success of the program. Our PI at DCMC Lockheed Vought Systems, Jerry Richardson, reports that DCMC personnel participate

from the lowest to the highest levels of the Patriot PAC-3 program. DCMC has been included in all IPT training sponsored by the buying office and is considered an integral part of the program. According to LTCOL Almendinger, PI for the V-22 Osprey, DCMC's IPT participation has yielded significant results for the program. Through IPT involvement, design to cost has been reduced by $9 million with system weight and drag also being reduced. These are real achievements! We can't stress enough - become part of your program's IPT structure today - it'll yield results tomorrow.

f. ***Program Integrator's Executive Summary*** - We consider this a "best practice" which may have applicability to all programs supported by DCMC. Lockheed Martin Vought Systems has developed a one page executive summary for each program supported by the CAO. Their objective was to design an executive summary that informs all levels of management about the status of the program; highlights key events within the past thirty days; provides an assessment of contractor performance and highlights future performance trends. We believe that the CAO PAT team has more than achieved it's objective. Please contact Jerry Richardson at (214)603-2561 for a copy and further information on the report.

g. ***Early Contract Administration Support*** We are receiving broad acknowledgment from the PI community that Early CAS is an active, very successful initiative. PI's and their Program Support Teams (PSTs) have been getting involved in all aspects of the pre-award arena including acquisition strategy formulation, RFP review and preparation, risk assessments, cost analyses, and source selection support. Early CAS has generated a lot of interest and support from the PM and the PM staffs. They are clearly seeing the value of DCMC pre-award involvement. Early CAS is helping forge better, more direct relationships with the PMs, is stimulating more opportunities for DCMC participation on the PM's IPTs, and perhaps most significantly, it's facilitating better insight and input into the preparation of contracts DCMC will be administering after award. MAJ (P) Dave Dobson's (DCMC Bell Helicopter) PST has helped the OH-58D Kiowa Warrior program develop incentive contracts for Direct Vendor Delivery of repair parts. "Results have shown tremendous promise... eliminating government investment in inventories... requisition fill rates in excess of 93% within 8 days of order." DCMC Seattle's Capt Greg McNew has been very active in RFP development and review for the Joint Strike Fighter (JSF) program. He reports, "DCMC Boeing Seattle involvement in this program has already paid a small dividend. A DCMC Boeing Seattle review of the formal RFP detected a wording error which could have led to a protest of the contract action and potential claim against the government. It was reported to the JSF PM office and corrected." Congratulations to Mr. John Pavlo, DCMC Sikorsky engineer, for being selected "Employee of the Quarter" by the RAH-66 Comanche PM for his Early CAS

efforts on that program. The Navy (SPAWAR's Multifunctional Information Distribution System (MIDS) program office has been extremely pleased with DCMC Early CAS efforts in the area of contractor past performance risk assessment and source selection. Mr. Mike Smorto (DCMC Garden City), Ms. Carolyn Franke (DCMC Lockheed Martin FT Worth), and Mr. Jon Kirschner (DCMC Customer Liaison for SPAWAR) have been members of the MIDS Fighter Data Link (FDL) IPT for the past year. One of their efforts involved developing an innovative method for determining contractor past performance in competitive source selection. This process is now under review by the Navy Acquisition Reform office for broader use across Navy acquisitions. We expect success stories like these will become increasingly more common as the recognition of DCMC preaward capabilities grows through Early CAS activities.

h. ***Single Process Initiative***- This activity continues as more contractors submit proposals, or continue efforts to implement those already accepted. Our PIs/PSTs are fully engaged in this process, advising contractors and supporting the SPI management councils. Most PI reports made some mention of SPI activity at their contractor(s). Several of block changes most frequently mentioned by the PIs are: quality systems (adopting ISO 9000), electro-static discharge control, configuration management, calibration system requirements, soldering/assembly specifications, and hybrid micro-electronics assembly. One major SPI effort, involving 32 separate recommendations, has just been completed at Raytheon Electronic Systems. Mr. Jeff Burns, PI at DCMC Raytheon reports that a block change modification to all existing Raytheon contracts has recently been signed, resulting in definitized savings of more than 5 million dollars to be shared by the Services.

5. Key Categories of Issues:

a. ***Performance Based Payments*-** The following excerpt from a PI report provides an example of an issue that has arisen when implementing this acquisition reform initiative. "As this process is being established, it appears likely that problems will be encountered with ensuring a clear understanding between the contractor and the Government on when a particular milestone is completed. The present list of payment milestones contained in the contractor's draft MOU is relatively generic in nature. For example, one milestone is "aircraft downjacked". Does this mean the contractor only need downjack the aircraft in order to submit for payment, or does it mean the contractor must also have accomplished a series of other activities which were supposed to have been completed prior to downjacking? *Clearly, the language used to describe what constitutes completion of a milestone needs to be as explicit as possible rather than a generic milestone chart.*" (Emphasis added)

b. ***Program Integrator Authority***- Authority of the Program Integrator as a team leader was an issue raised by several PIs. One PI reports "...we have developed a position that places all the responsibility on an individual but provides that individual no authority to control the actions and results of team efforts." Other PIs reported similar frustrations with the ability to direct members of their support team. PI authority is being addressed by HQ DCMC/AQOA in the rewrite of the One Book. It is an area that could also be addressed by Commanders by reviewing the operation of the Program Support Teams at their locations and ensuring that the PIs have the right level of authority.

c***. Information Technology***- Yes, this heading is also in the **Best Practices** section, but we received comments showing it was not working in areas. The criticisms refer to the lack of necessary facilities in the field, from inadequate E-mail capacity to the lack of ability to access the Internet. One PI reports: " Personnel operating out of remote locations at our site do not have access to the Internet and the contractor's system." In this case it appears that the access is hampered by a lack of local funding and motivation to make it happen. Another PI reports: " ... the transition for some to the new Email software has not been complete or efficient.... and has created a new crop of software illiterates." He recommends mandatory formal training when new software is introduced to enable staff to use the new capability and to avoid relying on the "old methods" in the absence of training. Headquarters recognizes this problem and has issued policy memorandum No. 96-12. This policy states that, " Every DCMC employee will be provided individual access to the Internet by September 30, 1997." Commanders and team members must work this problem together, addressing issues of training and availability of computer resources.

d. ***Single Process Initiatives***- SPI evaluations are starting to ramp up and causing manpower strain. One PI noted "Acquisition Streamlining is moving at a very high rate of speed making it more difficult to manage contracts... DCMC needs to be better trained to work in an environment of new/commercial standards, and have a better understanding of our role with the contractor in this reform period."   Another reports that training is critical as acquisition reform changes render some existing skills obsolete. Balancing new training needs and personnel drawdown against program support requirements is increasingly difficult. Submission of block changes is slow in some sectors of the industry, such as helicopters, due to limited numbers of commercial specifications or standards. Those that exist closely resemble the MIL specifications they were derived from. These comments will be forwarded to the SPI team.

e. ***One Book*** - Several comments were made regarding organization of the One Book

(page numbering and indexing) and increasing field participation in the update/change process. Hopefully we will address these issues with the "re-engineering" effort now underway to improve the organization and clarity of the One Book. A group of field personnel have been assigned TDY to Headquarters for the next 90 days to participate in a dedicated effort to rewrite it. We'll keep you posted as this major initiative proceeds.

f. ___*Not Applicable or No Issues to report*___ This was the most frequently reported response submitted by Program - Integrators under the heading of "What's Not Working". This could mean that things are working well or it could mean that they are working well enough not to warrant help from headquarters. This section is intended to highlight those areas that the PI believes are not working as well as they should and will serve as an information source to improve processes to better serve customers. Possible topics could include various acquisition reform or DCMC policies. The "What's Not Working" section is not meant for highlighting programmatic issues or specific CAO problems best solved at the working level. We encourage PI to include in future reports what they see are significant, potentially systemic problems that need higher headquarters level involvement to resolve or are related to issues involved in implementing acquisition reform initiatives.